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U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA



1 Ori Katz (CA Bar No. 209561)
2 J. Barrett Marum (CA Bar No. 228628)
2 Matt Klinger (CA Bar No. 307362)
3 SHEPPARD, MULLIN, RICHTER & I
3 LLP
4 Four Embarcadero Center, 17th Floor
4 San Francisco, CA 94111-4019
5 Telephone: (415) 434.9100 Telephone: (415) 263.7000
5 Facsimile: (415) 434.3947 Facsimile: (415) 263.7010
6 Email: okatz@sheppardmullin.com Email: dgrassgreen@pszjlaw.com
6 bmarum@sheppardmullin.com jfiero@pszjlaw.com
6 mklinger@sheppardmullin.com cmackle@pszjlaw.com

7 *Counsel to Debtors and Debtors in Possession*

Signed and Filed: April 19, 2021

Debra A. Grassgreen (CA Bar No. 150000,
John D. Fiero (CA Bar No. 150000,
C. Mackle (admitted pro hac vice)
& JONES LLP

HANNAH L. BLUMENSTIEL
U.S. Bankruptcy Judge
Telephone: (415) 263.7000
Facsimile: (415) 263.7010
E-mail: dgrassgreen@pszjlaw.com
jfiero@pszjlaw.com
cmackle@pszjlaw.com

*Counsel to the Official Committee of
Unsecured Creditors*

9 **UNITED STATES BANKRUPTCY COURT**

10 **NORTHERN DISTRICT OF CALIFORNIA**

11 **SAN FRANCISCO DIVISION**

12 In re:
13 PROFESSIONAL FINANCIAL
14 INVESTORS, INC., *et al.*¹
15 Debtors.

Chapter 11
Case No. 20-30604
(Jointly Administered)

**ORDER (I) APPROVING THE PLAN SUMMARY
AND CONDITIONALLY APPROVING
DISCLOSURE STATEMENT; (II) SCHEDULING
COMBINED HEARING ON APPROVAL OF
DISCLOSURE STATEMENT AND
CONFIRMATION OF PLAN AND APPROVING
THE FORM AND MANNER OF SERVICE OF
THE COMBINED HEARING NOTICE; (III)
ESTABLISHING NON-INVESTOR BAR DATES
FOR FILING PROOFS OF CLAIM; (IV)
APPROVING FORM AND MANNER OF NOTICE
OF NON-INVESTOR BAR DATES; (V)
ESTABLISHING PROCEDURES FOR THE
SOLICITATION AND TABULATION OF VOTES
ON PLAN; AND (VI) APPROVING RELATED
MATTERS**

23 **Hearing Date:**

Date: April 15, 2021
Time: 11:00 a.m. (Pacific Time)
Place: 450 Golden Gate Avenue, 16th Floor
San Francisco, CA 94102
Judge: Honorable Hannah Blumenstiel

27 ¹ A complete list of the Debtors and their respective chapter 11 case numbers may be found at
28 www.donlinrecano.com/pfi. The federal tax identification numbers of each of the Debtors is also available
in the bankruptcy petitions of each Debtor, also available at the Donlin Recano website.

1 This matter coming before the Court on the *Motion for an Order (I) Approving the Plan*
2 *Summary and Conditionally Approving Disclosure Statement; (II) Scheduling Combined Hearing*
3 *on Approval of Disclosure Statement and Confirmation of Plan and Approving the Form and*
4 *Manner of Service of the Combined Hearing Notice; (III) Establishing Non-Investor Bar Dates for*
5 *Filing Proofs of Claim; (IV) Approving Form and Manner of Notice of Non-Investor Bar Dates; (V)*
6 *Establishing Procedures for the Solicitation and Tabulation of Votes on Plan; and (VI) Approving*
7 *Related Matters* (the “Motion”)² [Docket No. 513], jointly filed by the above-captioned debtors and
8 debtors-in-possession (the “Debtors”) and Official Committee of Unsecured Creditors (the
9 “Committee”); the Court having reviewed the Motion, the timely-filed objections thereto (the
10 “Objections”), and having heard the statements of counsel regarding the relief requested in the
11 Motion at a hearing before the Court (the “Hearing”); and the Court having determined that the legal
12 and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted
13 herein;

14 **IT IS HEREBY ORDERED THAT:**

- 15 1. The Motion is GRANTED.
- 16 2. The Objections are overruled, without prejudice to renewal in connection with final
17 approval of the Disclosure Statement.
- 18 3. The Plan Summary, Cover Letter, AD Hoc LLC Members Committee Plan Support
19 Letter, and Ad Hoc DOT Noteholders Committee Plan Support Letter, to the extent modified by
20 Docket No. 560 (the “Modified Exhibit Notice”) and on the record, are approved as part of the
21 Solicitation Package.
- 22 4. The Disclosure Statement is conditionally approved as containing adequate
23 information within the meaning of section 1125 of the Bankruptcy Code. Any objections to the
24 adequacy of the information contained in the Disclosure Statement are expressly reserved for
25 consideration at the Combined Hearing (defined below).
- 26 5. The following Non-Investor bar dates are set:

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² A capitalized term used but not defined herein shall have the meaning ascribed to it in the Motion.

- 1 a. **May 13, 2021** (the “Non-Investor General Bar Date”) as the **last day** for the
2 filing of Proofs of Claim in this Case for all non-Investor claims (except as
3 set forth below) against the Debtors arising prior to the time the petition in
4 the applicable case was filed (the “Petition Date”), as set forth in the chart
5 below;
- 6 b. **May 13, 2021** (the “PFI/PISF Governmental Claims Bar Date”) as the **last
7 day** for all governmental units, as defined in section 101(27) of the
8 Bankruptcy Code, to file Proofs of Claim against Debtors Professional
9 Financial Investors, Inc., and Professional Investors Security Fund, Inc.
10 arising before the applicable Petition Date, as set forth in the chart below; and
- 11 c. **180 days after the date of the entry of the Order for Relief** (the “LLC/LP
12 Governmental Claims Bar Dates”) as the **last day** for all governmental units,
13 as defined in section 101(27) of the Bankruptcy Code, to file Proofs of Claim
14 against all remaining Debtors arising before the applicable Petition Date,
15 which the Debtors have calculated as follows:
- 16 i. **June 9, 2021** as to claims against those certain LLC/LP Debtors for
17 which Orders for Relief were entered on December 11, 2020;
- 18 ii. **August 16, 2021** as to claims against those certain LLC/LP Debtors
19 for which Orders for Relief were entered on February 17, 2021;
- 20 iii. **August 17, 2021** as the Governmental Claims Bar Date as to claims
21 against those certain LLC/LP Debtors for which Orders for Relief
22 were entered on February 18, 2021.

23 6. The following persons and other entities whose claims otherwise would be subject
24 to the Non-Investor Bar Dates are excepted from the provisions herein and are not required to file
25 proofs of claim against the Debtors on or before the Non-Investor Bar Dates:

- 26 a. Claims of Investors;
- 27 b. Claims of Holders of TIC Interests who make the TIC Investor Treatment
28 Election;
- 29 c. Claims already duly filed in these cases with the Clerk of this Court;
- 30 d. Claims listed in the Debtor’s Schedules, if the claimant does not dispute the
31 amount or manner in which its claim is listed in the Schedules or the nature
32 of the claim and if such claim is not designated therein as “contingent,”
33 “unliquidated,” “disputed” or “unknown;”
- 34 e. Claims arising on or after the Petition Date;
- 35 f. Claims of professionals retained by the Debtors or the Committees who assert
36 administrative claims for fees and expenses subject to the Court’s approval
37 pursuant to sections 328, 330, and 331 of the Bankruptcy Code;
- 38 g. Claims by any person or entity whose claim has been paid by the Debtor or
39 has been otherwise satisfied;

1 h. Claims for cure payments if the Debtors assume a contract pursuant to 11
2 U.S.C. section 365; and

3 i. Any claim for fees relating to this Case under 28 U.S.C. § 1930;
4 7. Any proof of Claim required to be filed pursuant to the provisions of this Order and
5 not filed on or before the applicable Non-Investor Bar Date shall be forever barred from assertion
6 against the Debtors, the Debtors' estates, and any successor to the foregoing under a confirmed plan
7 of reorganization and/or liquidation or structured dismissal or otherwise (a "Confirmed Plan"), and
8 the holder of such Claim shall be forever barred and prohibited from participating in any distribution
9 in these cases including, but not limited to, any distribution under a Confirmed Plan and in a
subsequent chapter 7 liquidation of the Debtors' estates.

10 8. The Non-Investor Notice of Bar Date is approved in all respects. In accordance with
11 Bankruptcy Rule 2002, the Debtors are hereby authorized to cause the Non-Investor Notice of Bar
12 Date to be given by first class mail, postage prepaid, on or before April 22, 2021, upon (i) all known
13 creditors, including those entities set forth in the section D.b. of the Motion, except that with respect
14 to parties to contracts other than known Investors, counterparties within four years prior to the
15 Petition Date shall be served; (ii) all parties listed on the Debtors' master mailing matrix; (iii) all
16 entities having filed a notice of appearance and demand for papers; and (iv) the Office of the United
17 States Trustee, except that the Non-Investor Notice of Bar Date shall be not be sent to known
18 Investors. For any non-Investor claimants entitled to vote on the Plan, the Non-Investor Notice of
19 Bar Date, together with the standard form Proof of Claim may (but are not required to) be sent in
20 the Solicitation Package.

21 9. The Combined Hearing Notice and Notice of Non-Voting Status are approved in all
22 respects.

23 10. The forms of Ballot are approved in all respects.

24 11. April 15, 2021 is established as the Voting Record Date for the purposes of
25 determining the creditors and equity interest holders entitled to receive the Solicitation Package or
26 the Notice of Non-Voting Status and to vote on the Plan.

27 12. The Solicitation Package and Non-Voting Notices shall be sent for distribution not
28 later than April 22, 2021.

1 13. If multiple Solicitation Packages would otherwise go to the same physical address,
2 the Proponents shall be entitled, but not required, to combine the Solicitation Packages into a single
3 Solicitation Package with multiple ballots, even if the claimant names are not identical.

4 14. By not later than May 6, 2021, the Proponents shall file a proofs of service of the
5 Solicitation Package, Notice Non-Investor Notice of Bar Date, and Non-Voting Notices
6 demonstrating compliance with the service requirements hereof.

7 15. Any Plan Supplement must be filed with this Court not later than May 6, 2021.

8 16. Ballots must be received on or before **May 13, 2021 at 4:00 p.m. (Pacific Time)**
9 (**Voting Deadline**) in accordance with the instructions on the applicable Ballot, unless extended
10 by the Debtors in writing.

11 17. The Vote Tabulation Rules, attached as **Exhibit E** to the Motion, as amended by the
12 Modified Exhibit Notice and on the record, are approved in all respects. Any Other Rule 3018
13 Motion (as defined therein) must be filed with the Court, together with proof of service thereof, and
14 served upon: (i) the Office of the United States Trustee; (ii) counsel for the Debtors; (iii) counsel
15 for the Committee; (iv) counsel for the Ad Hoc Committees; and (v) any party that has requested
16 notice pursuant to Bankruptcy Rule 2002 by hand delivery or in a manner as will cause such
17 objection to be received by all such parties on or before **April 29, 2021 at 4:00 p.m. (Pacific Time)**.
18 Any objections not filed and served as set forth above will not be considered by the Court. Any
19 objection to an Other Rule 3018 Motion must be filed by no later than **May 13, 2021**. Replies, if
20 any, in support of the Other Rule 3018 Motion must be filed no later than **May 20, 2021**.

21 18. Any such Other Rule 3018 Motion may be resolved by agreement between the
22 Proponents, in consultation with the Ad Hoc Committees, and the movant without the requirement
23 for further order or approval of the Court.

24 19. As to any creditor filing an Other Rule 3018 Motion, such creditor's Ballot shall not
25 be counted unless temporarily allowed by the Court for voting purposes after notice and a hearing,
26 prior to the Combined Hearing. Should any Other Rule 3018 Motion be timely filed and should the
27 Plan Proponents deem material for purposes of voting and tabulation, the Plan Proponents shall file
28 by no later than May 21, 2021 a notice and request for hearing on the Other Rule 2018 Motion.

1 20. Any objection to an Investor Rule 3018 Motion must be filed by no later than May
2 20, 2021, and shall be heard at the Combined Hearing.

3 21. Objections to the adequacy of the Disclosure Statement or confirmation of the Plan
4 must be in writing, must conform to the Bankruptcy Rules, must set forth the name of the objector,
5 the nature and amount of Claims or Interests held or asserted by the objector against the Debtors,
6 the basis for the objection and the specific grounds of the objection, and must be filed with the
7 Bankruptcy Court, together with proof of service thereof, and served upon: (i) the Office of the
8 United States Trustee; (ii) counsel for the Debtors; (iii) counsel for the Committee; (iv) counsel for
9 the Ad Hoc Committees; and (v) any party that has requested notice pursuant to Bankruptcy Rule
10 2002 by hand delivery or in a manner as will cause such objection to be received by all such parties
11 on or before **May 13, 2021 at 4:00 p.m. (Pacific Time)**. Any objections not filed and served as set
12 forth above will not be considered by the Court.

13 22. Any Plan Proponent or Ad Hoc Committee may file a reply to any objection to
14 confirmation of the Plan or adequacy of the Disclosure Statement by **May 20, 2021**.

15 23. The Plan voting certification shall be filed by **May 20, 2021**.

16 24. A hearing shall be held before this Court on **May 27, 2021 at 10:00 a.m. (Pacific**
17 **Time)** or as soon thereafter as counsel can be heard, to consider confirmation of the Plan (the
18 **“Combined Hearing”**) before the Honorable Hannah L. Blumenstiel, United States Bankruptcy
19 Judge via video or teleconference.

20 25. The Combined Hearing may be adjourned from time to time without further notice
21 to creditors and other parties-in-interest by an announcement of the adjourned date at the Combined
22 Hearing or any adjournment thereof or by an appropriate filing with the Court.

23 26. The relief granted herein shall apply to all Debtors.

24 27. The Debtors are authorized to take or refrain from taking any action necessary or
25 appropriate to implement the terms of and the relief granted in this Order without seeking further
26 order of the Court.

27 28. The Debtors are authorized to make non-substantive changes to the Disclosure
28 Statement, Plan, Ballots, Combined Hearing Notice, Notice of Non-Voting Status, Non-Investor

1 Bar Date Notice, and related documents without further order of the Court, including, without
2 limitation, changes to correct typographical and grammatical errors and to make conforming
3 changes among the aforementioned documents prior to their distribution.

4 29. This Court shall retain jurisdiction over all matters related to or arising from the
5 Motion or the interpretation or implementation of this Order.

6 ***** END OF ORDER *****

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